

ORDINANCE NO. CO12.17.12.07.E1

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CEDAR PARK, TEXAS, AMENDING CHAPTER 9, HUMAN RESOURCES, ARTICLES 9.10.009 GRANTING ADDITIONAL BENEFITS; 9.10.011 INCREASE IN CURRENT SERVICE ANNUITY RESERVE; 9.10.017 INCREASE IN RETIREMENT ANNUITIES; AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, The City of Cedar Park participates in the Texas Municipal Retirement System (TMRS) to provide future security for its regular full-time employees and for employee who work more than 1,000 hours in one calendar year; and

WHEREAS, the City's participation in TMRS is a benefit that supports the organization in attracting and retaining a quality work force; and

WHEREAS, TMRS offers a choice of benefits/plan provisions and each participating city designs their plan to suit its needs and budget.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CEDAR PARK, TEXAS:

SECTION 1. The City Council hereby amends the Cedar Park Code of Ordinances, Article 9.10 sections 9.10.009, 9.10.011, 9.10.017, as provided in the attached Exhibit A.

SECTION 2. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.


SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

READ AND CONSIDERED ON FIRST READING by the City Council of Cedar Park at a regular meeting on the 16th day of November, 2017, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et. Seq. of the Government Code.


READ, CONSIDERED, PASSED, AND APPROVED ON SECOND AND FINAL READING by the City Council of Cedar Park at a regular meeting on the 7th day of December, 2017, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et. Seq. of the Government Code.

PASSED AND APPROVED this the 7th day of December, 2017.


CITY OF CEDAR PARK, TEXAS


Kristyne Bollier, Mayor Pro Tem

ATTEST:


LeAnn M. Quinn, TRMC
City Secretary

APPROVED AS TO FORM
AND CONTENT:


J.P. LeCompte, City Attorney



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EXHIBIT A

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CHAPTER 9 HUMAN RESOURCES

ARTICLE 9.10 PARTICIPATION IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM*

Sec. 9.10.009 Granting additional benefits

Pursuant to the provisions of sections 64.202(f), 64.204, 64.405, 64.406 and 64.410 of Subtitle G of Title 110B, Revised Civil Statutes of Texas, 1925, as amended by the 70th Legislature of the State of Texas, Regular Session, which Subtitle shall herein be referred to as the "TMRS Act," the city adopts the following provisions affecting participation of its employees in the Texas Municipal Retirement System (which retirement system shall herein be referred to as the "System"):

- (1) Any employee of this city who is a member of the system is eligible to retire and receive a service retirement annuity, if the member has at least twenty-five (205) years of credited service in that System performed for one (1) or more municipalities that have participation dates after September 1, 1987, or have adopted a like provision under section 64.202(f) of the TMRS Act.
- (2) If a "vested member," as the term is defined in section 64.204(b) of the TMRS Act, shall die before becoming eligible for service retirement and leaves surviving a lawful spouse whom the member has designated as beneficiary entitled to payment of the member's accumulated contributions in event of the member's death before retirement, the surviving spouse may by written notice filed with the system, elect to leave the accumulated deposits on deposit with the system subject to the terms and conditions of said section 64.204(b). If the accumulated deposits have not been withdrawn before such time as the member, if living, would have become entitled to service retirement, the surviving spouse may elect to receive, in lieu of the accumulated deposits, an annuity payable monthly thereafter during the lifetime of the surviving spouse in such amount as would have been payable had the member lived and retired at that date under a joint and survivor annuity (Option 1) payable during the lifetime of the member and continuing thereafter during the lifetime of the surviving spouse.
- (3) At any time before payment of the first monthly benefit of an annuity, a surviving spouse to whom subsection (2) applies may, upon written application filed with the system, receive payment of the accumulated contributions standing to the account of the member in lieu of any benefits otherwise payable under this section. In the event such a surviving spouse shall die before payment of the first monthly benefit of an annuity allowed under this section, the accumulated contributions credited to the account of the member shall be paid to the estate of such spouse.
- (4) The rights, credits and benefits hereinabove authorized shall be in addition to the plan provisions heretofore adopted and in force at the effective date of this section pursuant to the TMRS Act.
- (5) Any employee of this city who is a member of the system is eligible to retire and receive a "standard occupational disability retirement annuity" under section 64.408 of the TMRS Act or an optional occupational disability retirement annuity under section 64.410 of the TMRS Act upon making application therefor upon such form and in such manner as

may be prescribed by the board of trustees of the system, provided that the system's medical board has certified to said board of trustees:

- (A) That the member is physically or mentally disabled for further performance of the duties of the member's employment;
- (B) That the disability is likely to be permanent; and
- (C) That the member should be retired.

Any annuity granted under this subsection shall be subject to the provisions of section 64.409 of the TMRS Act.

(6) The provisions relating to the occupational disability program as set forth in subsection (5) above are in lieu of the disability program heretofore provided for under sections 64.301 to 64.308 of the TMRS Act.

(1998 Code, sec. 8.1009)

ARTICLE 9.10 PARTICIPATION IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM*

Sec. 9.10.011 Increase in current service annuity reserve (1990)

Effective January 1, 1990, for each month of current service thereafter rendered by each of its employees who are members of the Texas Municipal Retirement System, the city will contribute to the current service annuity reserve of each such member at the time of his or her retirement, a sum that is ~~4~~5200% of such member's accumulated deposits for such month of employment; and said sum shall be contributed from the city's account in the municipality accumulation fund. (1998 Code, sec. 8.1011)

ARTICLE 9.10 PARTICIPATION IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM*

Sec. 9.10.017 Increase in retirement annuities

(a) On the terms and conditions set out in sections 854.203 and 853.404 of subtitle G of title 8, Government Code, as amended (hereinafter referred to as the "TMRS Act"), the City hereby elects to allow and to provide for payment of the increases below stated in monthly benefits payable by the System to retired employees and to beneficiaries of deceased employees of the City under current service annuities and prior service annuities arising from service by such employees to the City. An annuity increased under this section replaces any annuity or increased annuity previously granted to the same person.

(b) The amount of the annuity increase under this section is computed as the sum of the prior service and current service annuities on the effective date of retirement of the person on whose service the annuities are based, multiplied by ~~3~~50% of the percentage change in Consumer Price Index for All Urban Consumers, from December of the year immediately preceding the effective date of the person's retirement to the December that is 13 months before the effective date of the increase under this section.

(c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.

(d) If a computation hereunder does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed hereunder.

(e) The amount by which an increase under this section exceeds all previously granted increases to an annuitant is an obligation of the City and of its account in the Benefit Accumulation Fund of the system.

(f) Dates of increases. The initial increase in retirement annuities hereunder shall be effective on January 1, 2018⁶, subject to approval by the Board of Trustees of the system. An increase in retirement annuities shall be made hereunder on January 1st of each subsequent year until this section ceases to be in effect under subsection (e) of section 853.404 of the TMRS Act, provided that, as to such subsequent year, the actuary for the System has made the determination set forth in subsection (d) of section 853.404 of the TMRS Act, and provided further that, as to such subsequent year, the City has an ordinance in effect that provides for a simultaneous increase in updated service credits as that term is used in the TMRS Act.

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(g) Remove Maximum Contribution Rate Limit. Pursuant to Section 855.407(g) of the TMRS Actm the City hereby elects to make future normal and prior service contributions to its account in the benefit accumulation fund of the system at such combined rate of the total compensation paid by the City to employees who are members of the System, as the System's actuary shall annually determine as the rate necessary to fund, within the amortization period determined as applicable to the City under the TMRS Act, the costs of all benefits which are or may become chargeable to or are to be paid out of the City's account in said accumulation fund, regardless of other provisions of the TMRS Act limiting the combined rate of city contributions.

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Effective Date. Subject to approval by the Board of Trustees of the System, this ordinance shall be and become effective on the 1st day of January 2018.

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(Ordinance CO10-15-12-03-C1 adopted 12/3/15)